REMARKS

The Patent and Trademark Office action dated July 7, 2010 has been carefully considered. Applicants have substantially amended the claims to avoid the art references cited by the examiner and included in an IDS accompanying this amendment. No new claim fees are required as the number of claims remains under 20 and the number of independent claims remains under 3. However, the fee for the submitted IDS and the fee for a three month extension are submitted by check # 3570 in the total amount of $735.00 which includes the extension fee of $555.00 and the IDS fee of $180.00.

The patent publication of Jerbi et al, (Jerbi) Pub. No.: US 2004/0260791 A1 is the PCT US national stage publication of WO/2003/001769, cited by the examiner in the People's Republic of China (PRC) in rejecting certain of the originally filed claims in China as lacking novelty. The examiner also cited Zhu, US 2003/0014659 (already of record) as a secondary reference to show lack of inventive step. The application was abandoned without further prosecution. A translation of the action is available on request by the examiner in the pending application.

The update of the McGregor reference cited in the specification as issued Patent No. 7,595,373 was included in the IDS as relevant since certain quality of service parameters in one embodiment are suggested to be programmed in the SID. (See, Fig. 8, col. 11, lns. 25-51).

With regard to the amendments to the claims, the independent claims now define a USIM Internet Model as described in the published specification Para. 0095-0119. In this embodiment, the Internet in its broadest interpretation is wide open to the terminal because the access limitations and the account management are within the USIM. Since access to the account information in the USIM is controlled by the pre-set account management protocols in the USIM, accounting events can be captured and recorded real-time in the USIM program.

(See, Para. 0118). The clear advantage to this embodiment is that a distributing processing model is provided that is scalable, because the service provider is not required to provide the transactional analysis for each accounting event. The USID of the terminal in effect acts as its own wallet.

In Jerbi, a broad range of access control is provided with the objective of providing a service lock to the service provider and its approved auxiliary services. However, there is no suggestion that account information reside in the SIM or USIM or that there is real-time capture and recording of account information.

Similarly, in Lu et al., Pat. No. 6,694,134 (Lu) the system contemplates an open Internet including a terminal emulating a cellular telephone with one or more SIM or USIM cards for subscriber identification and security information. The operation and apparatus claimed by applicants in the pending application are not present.

In Zhu, Pat. Pub. US 2003/0014659 (Zhu) the system does describe the proxy for controlling access according to content. However, applicants reserve this additional feature for dependent claims in recognition of the amended independent claims.

In summary, when confronted with an open Internet in its broadest sense, the most secure control point is at the SIM or USIM. The unique use of the SIM or USIM for real-time account management as claimed is not an obvious use at the time of applicants' invention because of the limited memory available (See, Para 0107), and the predominant use of the SIM or USIM for subscriber identification and security information.

It is respectfully requested that the Examiner reexamine the application, as amended, and allow the application.

12/20/2010

Richard Esty Peterson
Patent Attorney, Reg. No. 26495
537 Valley St.
San Francisco, CA 94131